

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

W-03880A
J.N.J Enterprises
2303 E, Heatherbrae Dr
Phoenix, AZ 85016

RECEIVED
APR 12 2004

ARIZONA CORPORATION COMMISSION
DIRECTOR OF UTILITIES

ANNUAL REPORT

FOR YEAR ENDING

12	31	2003
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FOR COMMISSION USE

ANN04	03
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COMPANY INFORMATION

Company Name _____ JNJ Enterprises

Mailing Address 2303 E. Heatherbrae, Dr _____
(Street)

Phoenix

(City)

AZ

(State)

85016

(Zip)

602-956-364

Telephone No. (Include Area Code)

602-956-3646

Fax No. (Include Area Code)

602-2015415

Pager/. (Include Area Code)

Email

Address JNJ44@cox.net

Local Office Mailing Address Same
(Street)

(City)

(State)

(Zip)

Local Office Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address _____

MANAGEMENT INFORMATION

Management Contact: Gerald Lenzion **Owner**
(Name) (Title)

Same as above

(Street)

(City)

(State)

(Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address _____

On Site Manager: Same as above
(Name)

(Street)

(City)

(State)

(Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address _____

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

Statutory Agent: _____

(Name)

(Street)

(City)

(State)

(Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Attorney: _____

(Name)

(Street)

(City)

(State)

(Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

OWNERSHIP INFORMATION

Check the following box that applies to your company:

☒ Sole Proprietor (S)

☐ C Corporation (C) (Other than Association/Co-op)

☐ Partnership (P)

☐ Subchapter S Corporation (Z)

☐ Bankruptcy (B)

☐ Association/Co-op (A)

☐ Receivership (R)

☐ Limited Liability Company

☐ Other (Describe) _____

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

☐ APACHE

☐ COCHISE

☐ COCONINO

☒ GILA

☐ GRAHAM

☐ GREENLEE

☐ LA PAZ

☐ MARICOPA

☐ MOHAVE

☐ NAVAJO

☐ PIMA

☐ PINAL

☐ SANTA CRUZ

☐ YAVAPAI

☐ YUMA

☐ STATEWIDE

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization	553	0	553
302	Franchises	0	0	0
303	Land and Land Rights	14945	0	14945
304	Structures and Improvements	10089	476	9613
307	Wells and Springs	18455	1031	17424
311	Pumping Equipment	9768	3629	6139
320	Water Treatment Equipment	1538	1087	451
330	Distribution Reservoirs and Standpipes	18976	2727	16249
331	Transmission and Distribution Mains	17773	985	16788
333	Services	8710	701	8009
334	Meters and Meter Installations	7911	1855	6056
335	Hydrants	0	0	0
336	Backflow Prevention Devices	0	0	0
339	Other Plant and Misc. Equipment	204	356	0
340	Office Furniture and Equipment	5249	397	4852
341	Transportation Equipment	49213	11265	37948
343	Tools, Shop and Garage Equipment	1815	324	1491
344	Laboratory Equipment	0	0	0
345	Power Operated Equipment	23870	1458	22412
346	Communication Equipment	0	0	0
347	Miscellaneous Equipment	0	0	0
348	Other Tangible Plant	0	0	0
	TOTALS	189069	26291	162930

This amount goes on the Balance Sheet Acct. No. 108

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization	553	0	553
302	Franchises	0	0	0
303	Land and Land Rights	14945	0	14945
304	Structures and Improvements	14322	3.33	476
307	Wells and Springs	30941	3.33	1031
311	Pumping Equipment	29034	12.50	3629
320	Water Treatment Equipment	5436	20.00	1087
330	Distribution Reservoirs and Standpipes	54533	5.00	1041
331	Transmission and Distribution Mains	49251	2.00	985
333	Services	21052	3.33	701
334	Meters and Meter Installations	22278	8.33	1855
335	Hydrants	0	2.00	0
336	Backflow Prevention Devices	0	6.67	0
339	Other Plant and Misc. Equipment	5335	6.67	356
340	Office Furniture and Equipment	5958	6.67	397
341	Transportation Equipment	56326	20.00	11265
343	Tools, Shop and Garage Equipment	6472	5.00	324
344	Laboratory Equipment	0	10.00	0
345	Power Operated Equipment	29162	5.00	1458
346	Communication Equipment	0	10.00	0
347	Miscellaneous Equipment	0	10.00	0
348	Other Tangible Plant	0	10.00	0
	TOTALS	315453		26292

This amount goes on the Comparative Statement of Income and Expense
Acct. No. 403.

BALANCE SHEET

Acct .No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	ASSETS		
	CURRENT AND ACCR		
131	Cash	\$0	0
134	Working Funds	0	0
135	Temporary Cash Investments	0	0
141	Customer Accounts Receivable	635	6416
146	Notes/Receivables from Associated Companies	0	0
151	Plant Material and Supplies	0	0
162	Prepayments	138	0
174	Miscellaneous Current and Accrued Assets	0	0
	TOTAL CURRENT AND ACCRUED ASSETS	\$1667	\$6416
	FIXED ASSETS		
101	Utility Plant in Service	\$301,698	\$183,699
103	Property Held for Future Use	0	0
105	Construction Work in Progress	0	0
108	Accumulated Depreciation – Utility Plant	156,529	26291
121	Non-Utility Property	0	0
122	Accumulated Depreciation – Non Utility	0	0
	TOTAL FIXED ASSETS	\$458,227	\$209,990
	TOTAL ASSETS	\$459,894	\$216,406

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITES		
231	Accounts Payable	\$0	0
232	Notes Payable (Current Portion)	0	0
234	Notes/Accounts Payable to Associated Companies	0	0
235	Customer Deposits	0	0
236	Accrued Taxes	0	128
237	Accrued Interest	0	0
241	Miscellaneous Current and Accrued Liabilities	0	0
	TOTAL CURRENT LIABILITIES	\$0	\$128
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$133,533	\$124,856
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$0	0
252	Advances in Aid of Construction	0	0
255	Accumulated Deferred Investment Tax Credits	0	0
271	Contributions in Aid of Construction	0	0
272	Less: Amortization of Contributions	0	0
281	Accumulated Deferred Income Tax	0	0
	TOTAL DEFERRED CREDITS	\$0	\$0
	TOTAL LIABILITIES	\$133,533	\$124,984
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$30,000	\$30,000
211	Paid in Capital in Excess of Par Value	0	0
215	Retained Earnings	0	0
218	Proprietary Capital (Sole Props and Partnerships)	0	0
	TOTAL CAPITAL	\$30,000	\$30,000
	TOTAL LIABILITIES AND CAPITAL	\$163,533	\$154,984

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$64981	\$80984
460	Unmetered Water Revenue	0	0
474	Other Water Revenues	0	765
	TOTAL REVENUES	\$64981	\$81659
	OPERATING EXPENSES		
601	Salaries and Wages	\$20812	\$24000
610	Purchased Water	0	0
615	Purchased Power	3792	3985
618	Chemicals	143	1050
620	Repairs and Maintenance	6540	10476
621	Office Supplies and Expense	5419	1469
630	Outside Services	8339	11130
635	Water Testing	1941	7181
641	Rents	0	0
650	Transportation Expenses	5411	6338
657	Insurance – General Liability	354	2676
659	Insurance - Health and Life	0	0
666	Regulatory Commission Expense – Rate Case	5000	0
675	Miscellaneous Expense	4504	7063
403	Depreciation Expense	17889	26292
408	Taxes Other Than Income	0	0
408.11	Property Taxes	4785	6041
409	Income Tax	0	0
	TOTAL OPERATING EXPENSES	\$84,929	\$106,909
	OPERATING INCOME/(LOSS)	\$(19,948)	\$(25,160)
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	\$0	\$0
421	Non-Utility Income	0	0
426	Miscellaneous Non-Utility Expenses	0	0
427	Interest Expense	(16,479)	(18,468)
	TOTAL OTHER INCOME/(EXPENSE)	\$(16,479)	\$(18,468)
	NET INCOME/(LOSS)	\$(36,427)	\$(43,628)

SUPPLEMENTAL FINANCIAL DATA**Long-Term Debt**

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	1/4/01	6/5/00	5/15/00	5/30/00
Source of Loan	Art Gardner	Carroll Powell	Gerald Lenzion	Gerald Lenzion
ACC Decision No.	64197			
Reason for Loan	Purchase water Company	Purchase water Company	Operating cost	Operating cost
Dollar Amount Issued	\$40,000	\$110,000	\$1,000	\$3,000
Amount Outstanding	\$31,810	\$93,046	\$1,000	\$3,000
Date of Maturity	1/4/16	6/15/15	ASAP	ASAP
Interest Rate	7%	7 %	0 %	0 %
Current Year Interest	\$2,348	\$7,283	0	0
Current Year Principle	\$3,167	\$5,511	\$	\$

Meter Deposit Balance at Test Year End

\$0

Meter Deposits Refunded During the Test Year

\$0

WATER COMPANY PLANT DESCRIPTION**WELLS**

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
55-800-712	1.0	2	280	6	¾	
55-800-363	1.5	20	60	6	1	
55-800-362	1.5	6		6	¾	
55-543-032	1.5	20		6	1	
55-631-406	3.5	30	94	8	1 ½	
55-627-384	2	30	325	6	1	1999

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
N/A		

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
1.5	4	0	0
2	1	0	0

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
5000	2	80	5
10000	2	5000	1
15000	1	3000	1
		2000	1

WATER COMPANY PLANT DESCRIPTION (CONTINUED)**MAINS**

Size (in inches)	Material	Length (in feet)
<u>2</u>	<u>PVC</u>	<u>11620</u>
<u>3</u>	<u>PVC</u>	<u>5200</u>
<u>4</u>	<u>PVC</u>	<u>5320</u>
<u>5</u>		
<u>6</u>		
<u>8</u>		
<u>10</u>		
<u>12</u>		
<u>4</u>	<u>Galvanized</u>	<u>4080</u>
<u>3</u>	<u>Galvanized</u>	<u>555</u>
<u>2</u>	<u>Galvanized</u>	<u>5416</u>

CUSTOMER METERS

Size (in inches)	Quantity
<u>5/8 X 3/4</u>	<u>251</u>
<u>3/4</u>	
<u>1</u>	
<u>1 1/2</u>	
<u>2</u>	
Comp. 3	
Turbo 3	
Comp. 4	
Tubo 4	
Comp. 6	
Tubo 6	

For the following three items, list the utility owned assets in each category.

TREATMENT EQUIPMENT:

STRUCTURES:

OTHER:

COMPANY NAME: JNJ Enterprises

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2003

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD	GALLON PUMPED (Thousands)
JANUARY	249	216,990	227,839
FEBRUARY	249	193,560	199,366
MARCH	249	235,014	258,515
APRIL	249	427,915	470,706
MAY	250	437,675	450,805
JUNE	251	1,018,601	1,049,159
JULY	251	519,290	534,868
AUGUST	251	863,710	889,621
SEPTEMBER	251	461,210	475,046
OCTOBER	251	436,226	491,019
NOVEMBER	251	372,072	427,882
DECEMBER	251	252,910	303,492
TOTAL		5,435,173	5,778,318

Is the Water Utility located in an ADWR Active Management Area (AMA)?

() Yes (X) No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?

() Yes (X) No

If yes, provide the GPCPD amount: _____

What is the level of arsenic for each well on your system. **Gardner**
#1 <0.001 mg/l
#2 <0.0015
Christopher Creek
#1,#2,#3,#4 <0.0030

COMPANY NAME JNJ Enterprises YEAR ENDING 12/31/2003

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2003 was: \$ 6,240

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. _____

A 35387

2600

JNJ ENTERPRISES, LLC
 602 EAST FATHERDORAL DRIVE 602 956 3646
 GILBERT, AZ 85016

DATE Oct 15 03

P. Billa Co Treasurer

One thousand two Hundred Ninety, one & ⁰⁸/₁₀₀ \$ 1291 ⁰⁸/₁₀₀
 DOLLARS

BANK OF AMERICA
 602 EAST FATHERDORAL DRIVE
 GILBERT, AZ 85016

942-40-511

Sam M. Davis

⑈002600⑈ ⑆122101706⑆ 004672117123⑈

⑈0000129108⑈

A 35362

2599

JNJ ENTERPRISES, LLC
 602 EAST FATHERDORAL DRIVE 602 956 3646
 GILBERT, AZ 85016

DATE Oct 15 03

P. Billa Co Treasurer

Two thousand and Four Hundred three & ¹²/₁₀₀ \$ 2,403 ¹²/₁₀₀
 DOLLARS

BANK OF AMERICA
 602 EAST FATHERDORAL DRIVE
 GILBERT, AZ 85016

904-81-001

Sam M. Davis

⑈002599⑈ ⑆122101706⑆ 004672117123⑈

⑈0000240312⑈

02 A 35179 35515

2487

JNJ ENTERPRISES, LLC
 602 EAST FATHERDORAL DRIVE 602 956 3646
 GILBERT, AZ 85016

DATE March 20 03

P. Priscilla M.L. Knuckey - Rull

Two thousand Five Hundred Forty Six & ⁰²/₁₀₀ \$ 2546 ⁰²/₁₀₀
 DOLLARS

BANK OF AMERICA
 602 EAST FATHERDORAL DRIVE
 GILBERT, AZ 85016

904-81-001 942-40-511

Sam M. Davis

⑈002487⑈ ⑆122101706⑆ 004672117123⑈

⑈0000254602⑈

COMPANY NAME JNJ Enterprises YEAR ENDING 12/31/2003

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported 0
Estimated or Actual Federal Tax Liability 0

State Taxable Income Reported 0
Estimated or Actual State Tax Liability 0

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances 0
Amount of Gross-Up Tax Collected 0
Total Grossed-Up Contributions/Advances 0

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.


SIGNATURE

4-10-04
DATE

Gerald Lenzion
PRINTED NAME

Owner
TITLE

VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
INTRASTATE REVENUES ONLY

RECEIVED

APR 12 2004

ARIZONA CORPORATION COMMISSION
DIRECTOR OF UTILITIES

VERIFICATION

STATE OF ARIZONA

COUNTY OF (COUNTY NAME)

Maricopa

I, THE UNDERSIGNED

NAME (OWNER OR OFFICIAL)

Gerald Lendzion

TITLE

owner

OF THE

COMPANY NAME

JNS Enterprises

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2003

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2003 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES

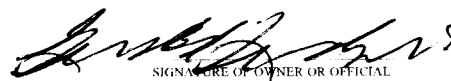
\$ ~~81,659~~, 81,659

(THE AMOUNT IN BOX AT LEFT

INCLUDES \$ 5,073

IN SALES TAXES BILLED, OR COLLECTED)

*RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.


SIGNATURE OF OWNER OR OFFICIAL

602-956-3646
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

NOTARY PUBLIC NAME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

COUNTY NAME

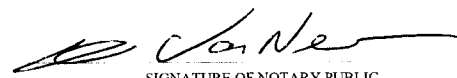
THIS 26th DAY OF

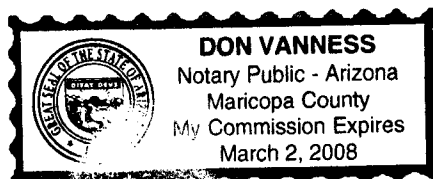
MONTH MARCH 2004

(SEAL)

MY COMMISSION EXPIRES

X


SIGNATURE OF NOTARY PUBLIC



**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

RECEIVED

APR 12 2004

VERIFICATION

STATE OF Arizona

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)

Maricopa
NAME (OWNER OR OFFICIAL) TITLE

Gerald Lendzian owner

COMPANY NAME

JNT Enterprises

**ARIZONA CORPORATION COMMISSION
DIRECTOR OF UTILITIES**

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH

12

DAY

31

YEAR

2003

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2003 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$ 81,659 81,659

(THE AMOUNT IN BOX ABOVE

INCLUDES \$ 5,073

IN SALES TAXES BILLED, OR COLLECTED)

****REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**

Gerald Lendzian
SIGNATURE OF OWNER OR OFFICIAL
602-956-3646
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

COUNTY NAME

THIS

26th

DAY OF

MONTH

MARCH

20__

(SEAL)

MY COMMISSION EXPIRES

